

MEMORANDUM OF UNDERSTANDING

DEPARTMENT OF HEALTH SERVICES

AND

PUBLIC UTILITIES COMMISSION

ON MAINTAINING SAFE AND RELIABLE WATER SUPPLIES FOR REGULATED WATER COMPANIES IN CALIFORNIA

The Department of Health Services (DHS) and the Public Utilities Commission (PUC) agree that it is their joint goal and responsibility to ensure that California water companies regulated by the PUC are economically maintaining safe and reliable water supplies. This Memorandum of Understanding (MOU) sets forth those policies and procedures which DHS and PUC shall follow to achieve this mutual goal.

OBJECTIVES

The common objectives of the program, as they relate to public water systems (PWS) subject to regulation by DHS and PUC, are as follows:

1. To monitor the systems to assure that safe and reliable water supplies are being maintained in accordance with applicable Drinking Water Standards and regulations established under the Safe Drinking Water Act (SDWA).
2. To identify system deficiencies, noncompliance with the SDWA, and determine needed improvements, including alternatives necessary to provide safe and reliable water supplies.
3. To assure that system improvement projects necessary to upgrade system facilities to meet standards are selected on the basis of public health priority and only after reasonable alternatives have been defined and cost-effective analyses are performed to arrive at a cost-effective solution.
4. To establish mutually agreed-upon priorities for necessary system improvements.

AGENCY RESPONSIBILITIES

The intent of this MOU is to identify the separate and joint responsibilities of DHS and PUC. The following represents a general description of the roles and responsibilities of each of the respective agencies relating to water companies under PUC jurisdiction.

1. DHS shall be responsible for the following:
 - a. To the extent its resources permit, DHS shall be responsible for evaluating and determining all technical aspects of monitoring water quality and identifying SDWA contaminants and for identifying the improvements necessary to provide safe and reliable water supplies. DHS will advise the PUC of its recommendations.
 - b. Evaluation of PWS to identify public health deficiencies and determine compliance with the SDWA and all rules and regulations adopted thereunder.
 - c. Initiation of enforcement actions pursuant to Sections 116650 and 116655 of the California Health and Safety Code to ensure compliance with the SDWA and all rules and regulations adopted thereunder.
 - d. Evaluation of alternative cost-effective corrective actions necessary to upgrade water supplies to meet standards.
 - e. Review and approval of plans and specifications and issuance of domestic water supply permits as required by law.
 - f. Inspection of water quality improvement projects both during and after construction, and sharing of project status reports with PUC.
 - g. Participation at appropriate PUC public meetings and/or evidentiary hearings where water quality matters raised by DHS or any other person are to be discussed.

2. PUC shall be responsible for the following:
 - a. Approving rate changes needed to finance necessary system improvement projects.
 - b. Arranging public meetings with customers and/or evidentiary hearings to ensure that customers are made aware of the need for system improvement projects and the impacts the projects will have on rates.
 - c. Promptly informing DHS of PUC scheduled public meetings with customers and/or evidentiary hearings where water quality problems will be discussed.
 - d. Making recommendations on the financial and rate-setting aspects associated with implementing the necessary improvements identified by DHS to provide safe and reliable water supplies.
 - e. Evaluating non-SDWA water quality and fire flow requirement
 - f. Providing analyses of the financial impacts, if any, of system improvement projects on both customers and water companies.

3. Joint Responsibilities

- a. The staffs of the two agencies shall keep each other informed of their respective activities and assist each agency in carrying out its responsibilities.
- b. Each agency shall provide appropriate assistance in implementing necessary enforcement actions taken against individual water systems. Directives and provisions (e.g., building permit bans/limitations, water conservation restrictions) in Compliance Orders, Citations, and permits issued by DHS shall be supported by PUC without unnecessary delay.
- c. The PUC will notify DHS of all requests for rate increases from PWS and shall routinely provide DHS with all schedules of PUC hearings. DHS will provide technical input to PUC as necessary and appropriate in PUC proceedings. This may include testimony before the PUC.
- d. Both agencies shall exchange all information available regarding water companies that are experiencing water quality, water availability, or pressure problems. The information about the problems may include, but is not limited to:
 - i. All communications with utilities,
 - ii. Citations and Compliance Orders issued,
 - iii. Decisions rendered,
 - iv. Regulations and policies,
 - v. Proposed new water systems,
 - vi. Permits issued and amended,
 - vii. Reports, investigations, etc.

PROJECT COORDINATION

1. Whenever a potential conflict regarding a specific project is identified, each agency will examine the alternative solutions available for upgrading water supplies. They shall then meet to thoroughly discuss the issues involved and attempt to come to an agreement before announcing a position. The protection of public health shall receive the highest priority. If an agreement cannot be reached after consultation between the Chief of the Field Operations Branch of DHS and the Head of Water Regulation at the PUC, DHS and PUC staff may advocate separate positions. Notwithstanding such disagreements, this MOU shall remain in effect.
2. There should be an open exchange of information between DHS and PUC. Each agency will set forth where to and whom material shall be sent. Copies of all correspondence between an agency and other parties concerning a water system improvement project shall be sent to the appropriate District Office of DHS and the appropriate office of PUC up and until the project is completed.

AMENDMENTS

This MOU may be amended by mutual agreement of DHS and PUC. It shall remain in effect until DHS and/or PUC decide otherwise.

Approved:

(original signed)

**Deputy Director
Prevention Services**

**Department of Health Services
Date: 10/25/96**

Approved:

(original signed)

Executive Director

**Public Utilities Commission
Date: 11/21/96**